

## Truck sales off to a good start in 2019

The South African commercial vehicle market got off to a flying start in 2019, showing a 7.3% increase on January 2018's results to reach 1,653 sales.



This is according to the latest results released for January 2019 by the National Association of Automobile Manufacturers of South Africa (Naamsa), Associated Motor Holdings (AMH) and Amalgamated Automobile Distributors (AAD).

Looking at the year-on-year comparison, medium commercial vehicle sales grew by 24.6% to 552 units. Sales in the heavy commercial vehicle segment increased by 6.5% to 327 units, while the extra heavy commercial vehicles showed a slight decline of 1.8% to conclude the month on 719 sales. Bus sales were down by 6.8% to 55 units.

“We are very encouraged by the good start to the year,” said Gert Swanepoel, managing director of UD Trucks Southern Africa. “We foresee that certain macroeconomic influencers like the upcoming national elections and lower business confidence might dampen sales up to July.”

Swanepoel said that 2018's positive results proved that the truck market is resilient, even amidst challenging economic

conditions, and that businesses still choose to invest in new vehicles for their fleets as this past January's results showed.

"One concern is that the average age of the local commercial vehicle parc is too high, at around 12 years currently. In order to have a healthy and safe vehicle population, trucks need to be replaced every eight to ten years or so, and this is a goal that the industry needs to work towards," said Swanepoel.

UD Trucks believe that more and more businesses are turning to modern smart logistics to ensure efficiency, productivity and profitability. Aspects like telematics are playing an increasing role in fleet and route planning, as the demand from consumers for faster turnaround times grow.

"Growth in the logistics and transport sectors were some of the key drivers in 2018's growth in sales, and we expect this trend to continue this year," explained Swanepoel. "We do remain positive that 2019 will deliver another growth year for the commercial vehicle market."

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